

Department of Defense



End-to-End Procurement Process

**Mr. Mike Williams
Chief, DCMC Paperless Contracting Center**



End-to-End Procurement Process

Agenda

- **Introductions**
- **Background**
- **Approach**
 - **Results To Date**
 - **Near Term Actions**
 - **Remaining Activities**
- **Progress Review with DCMC and DFAS**
- **Questions**



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Background

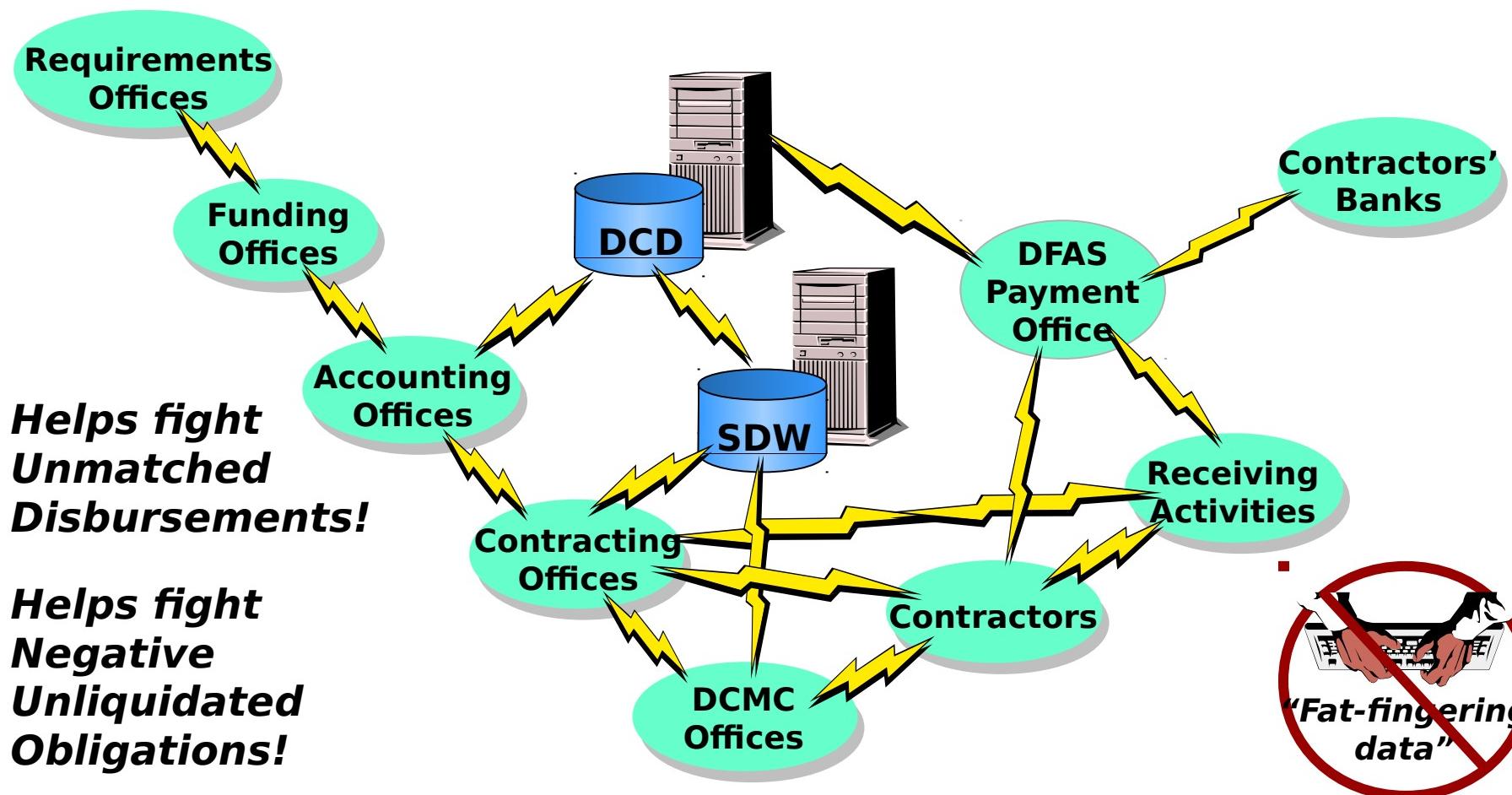
- **The Deputy Secretary of Defense's Paperless Acquisition Goals--particularly as they relate to Unmatched Disbursements and Negative Unliquidated Obligations**
- **Management Reform Memorandum #2, Moving to a Paperless Contracting Process by January 1, 2000**
- **"As-is" Contracting Process Model developed by Paperless Contracting Working-level IPT in early 1998**
- **September 22nd Director, Defense Procurement Memo--DCMC Lead "an 'End-to-end' Process Review of Contracting Requirements and SPS Systems Interface Issues."**
- **Defense Reform Initiative Directive #47 Signed 9 Dec 98 - End-to-End Procurement Process**
- **Established Website at**
<http://www.dcmc.hq.dla.mil/centers/paperless/e2e/index.htm>



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The Paperless Acquisition Vision

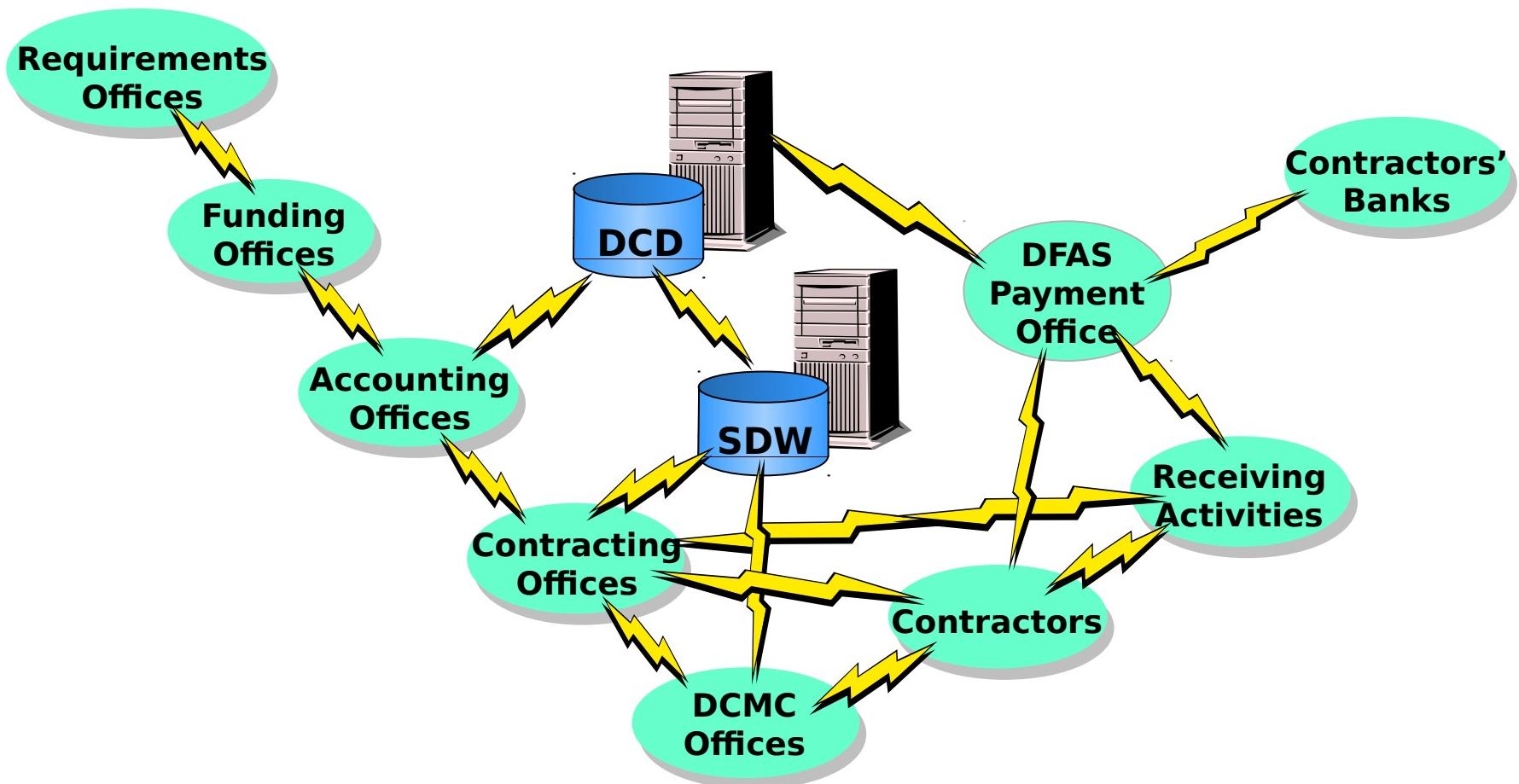
... seamless ... all electronic ...





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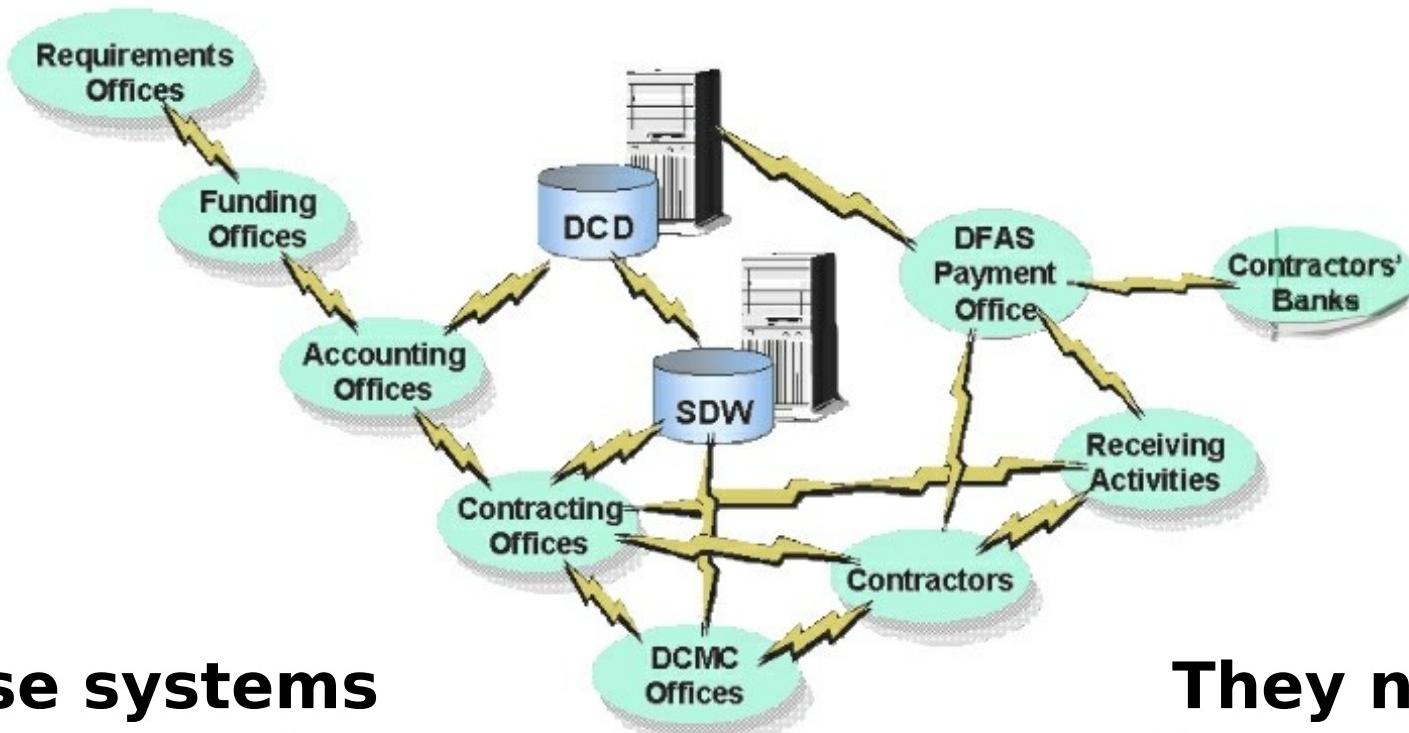
Will it work?





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Only if everyone helps make sure!



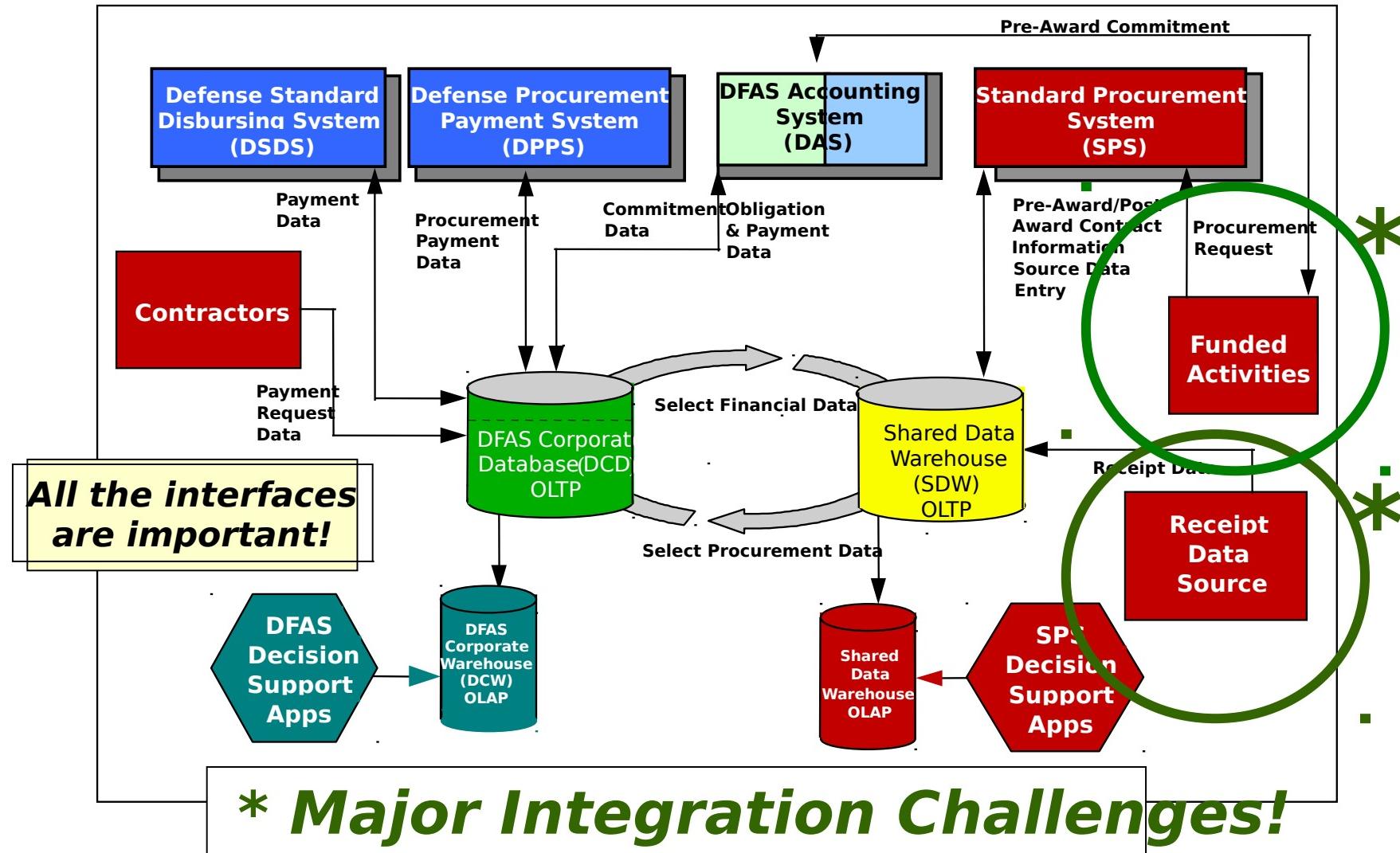
**These systems
all have to share
data and information . . .**

**They need
to “talk” to each
other really well . . .**



Integration Challenges

Notional “To-Be” Architecture





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Why We're Here

Goals and Expectations:

- Develop an “End-to-End” Process Flow for the Contracting Process as Envisioned for FY 00, as Enabled by Electronic Initiatives

***Seamless interoperability
is the goal!***





End-to-End Procurement Process

Scope of Our Effort

- I **Define the “To Be” Environment for the DoD Contracting Process, Worldwide, Including:**
 - Requirements
 - Receipts
 - Solicitations
 - Payments
 - Awards and Modifications
 - Contract Closeout
 -
 - I **Address Process Dependencies, Integration Requirements, Information Requirements, and Responsibilities**
 - I **Seamless Data Flow Between Business Processes**

Business “Processes” vs. “Practices”



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Approach

- **Phase 1 - Model Template** *November 17-19*
 - “Process” SMEs
- **Phase 2 - Develop Process Model** *December 8-10*
 - “Technical” Data Exchange SMEs
- **Phase 3 - Detailed “To-Be” Model** *January 5-7* *January 26-28* *February 9-11*
 - As many levels of indenture as needed
 - Smaller Group of SMEs
- **Phase 4 - System Cross-Walk** *February 23-24*
- **Phase 5 - “Final Polishing” Session** *Early March*
- **Develop Reports and Briefings** *Mid-March*



Objective of Phase 1

November 17-19, 1998

- **Create a To-Be Procurement Process Model Template**
 - **Develop Process Model Composition**
 - **Detail Process Model Map**
 - **Identify Process Inputs/Outputs**
- **Capture Pertinent Business Rules**
- **Capture Improvement Ideas and Opportunities**



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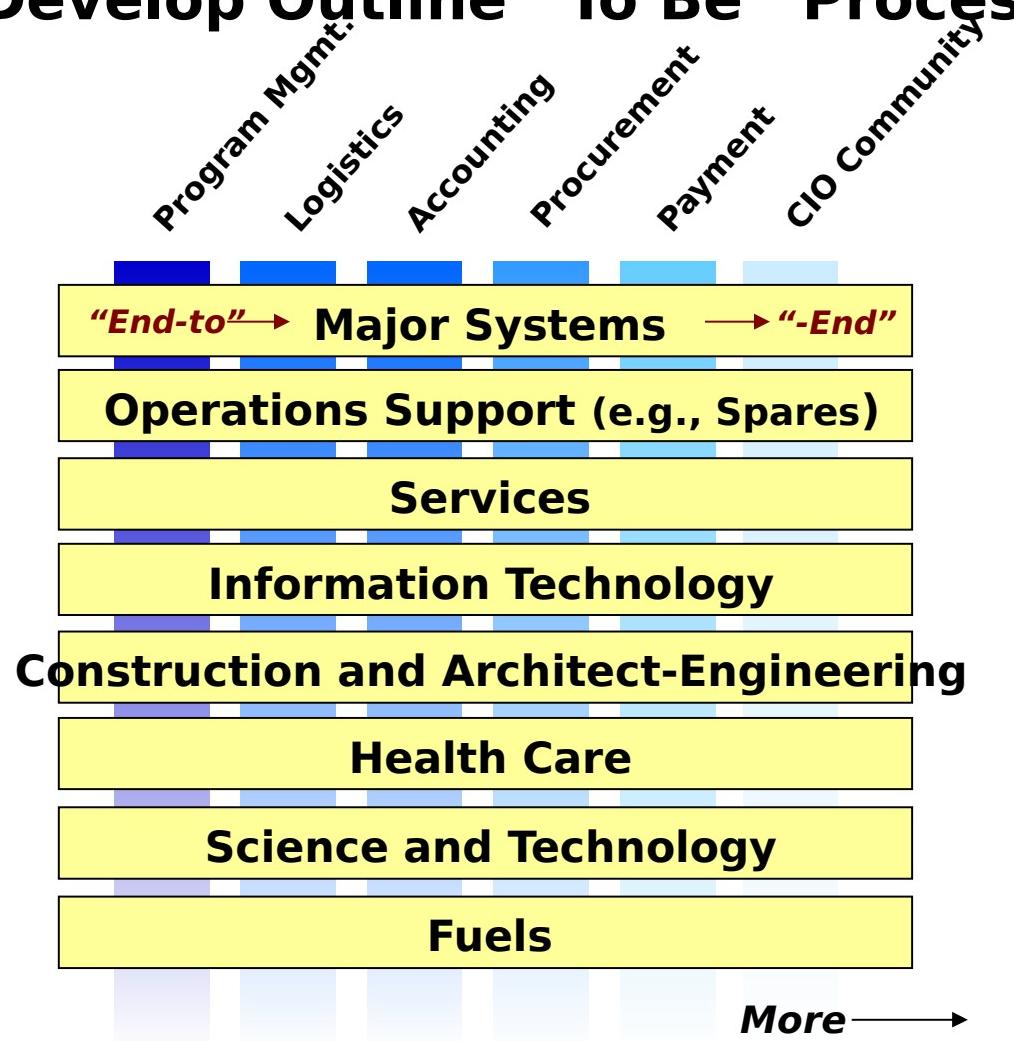
Phase 1 - Model Template

Purpose of Session: Develop Outline “To Be” Process

The communities involved in the process . . .

“What we buy drives how we buy!”

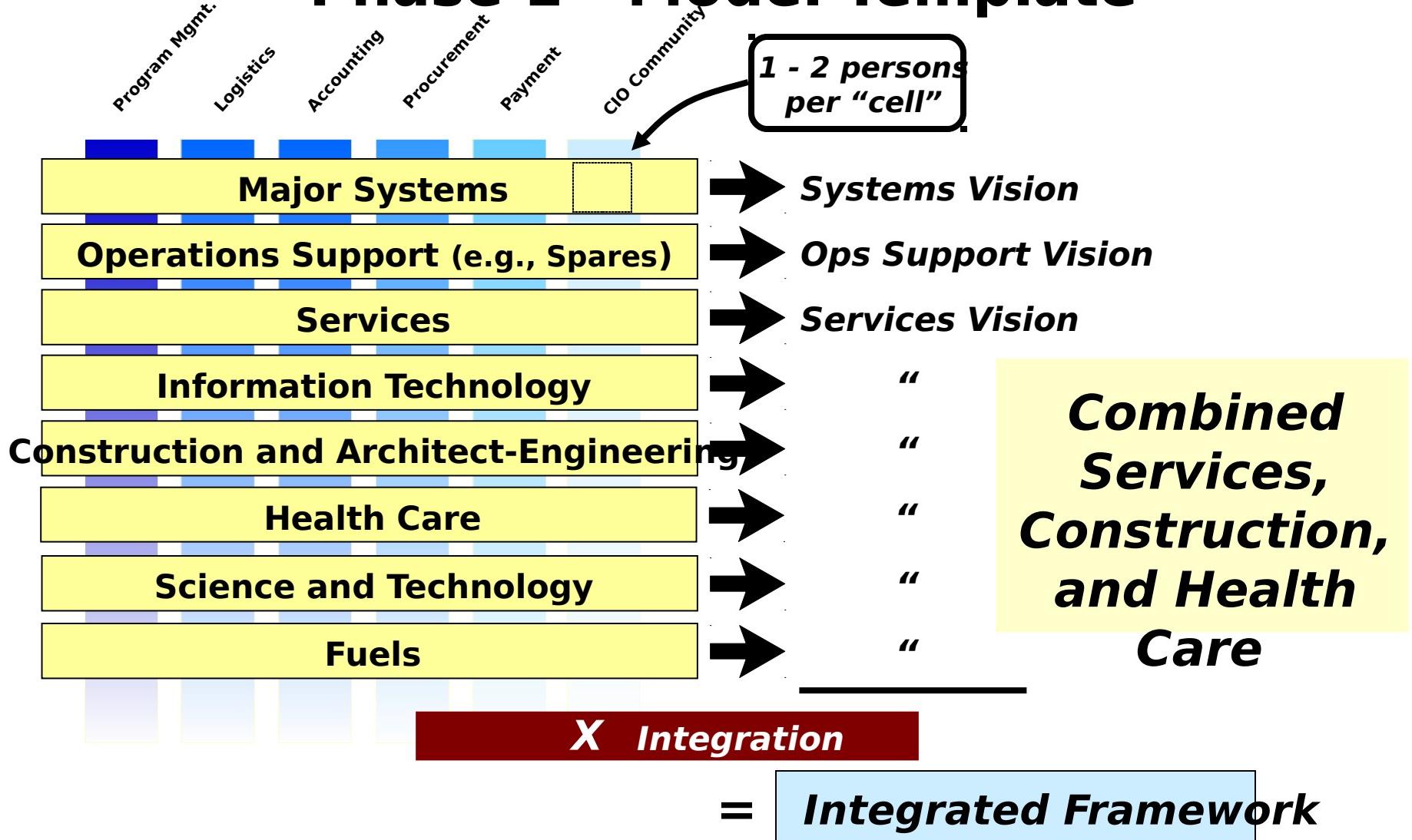
“End-to-End” views . . .





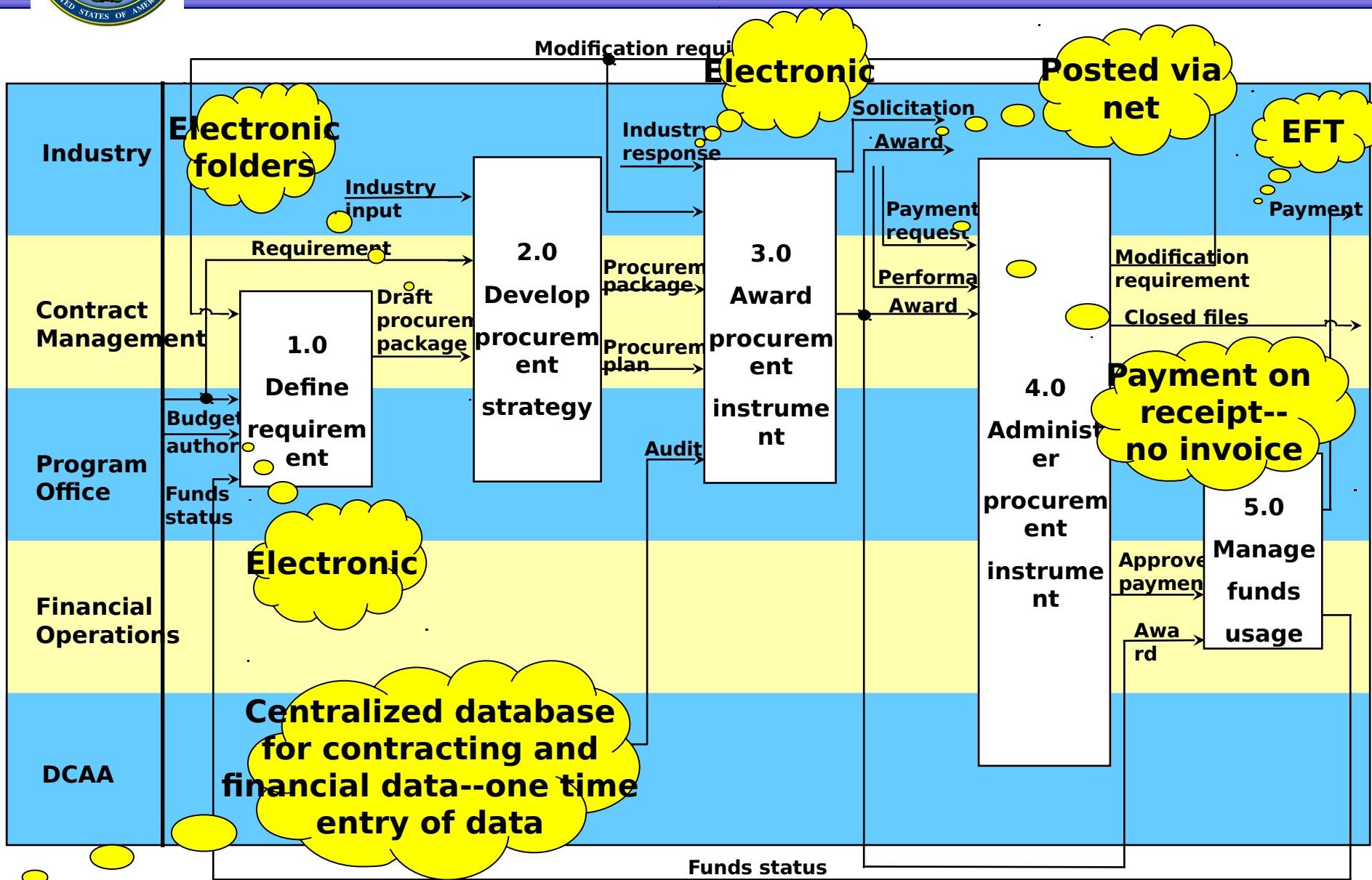
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Phase 1 - Model Template





To-be Procurement Process Map





End-to-End Procurement Process

Integrated Framework

- **Similar to As-Is Process Model at Macro-Level**
- **Increase Use of Electronic Transactions**
 - **More Use of World Wide Web**
 - **Use Wide Area Workflow for Receipts/Payments and Contract Closeout**
- **Changed Some Inputs/Outputs and Roles**
 - **Deleted Invoices**
 - **Payment Requests “Approved” by Contract Admin**
 - **DFAS Functions as Accountant and Bank**



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Improvement Ideas

- Posted to Web-Site
- Organized by Subgroup and “As-Is” Process Area
- Samples:
 - Contractor Access to SDW
 - Single Site for Posting Solicitations
 - Automatic Notification of Award (or Modification)
 - On-line Access to Delivery and Payment Status
 - Update Statutes for “Electronic Acquisition”



Objective of Phase 2

December 8-10, 1998

- **Refine Procurement Process Model**
- **Divided Group into Four Areas**
 - **Procurement Planning**
 - **Pre-Award**
 - **Post Award**
 - **Receipts and Payments**
- **Identify Data Elements and Sources**
- **Identify “Connectivity” Issues**
- **Capture Improvement Ideas**



Objective of Phase 3

Several Sessions - Ongoing

- **Integrate and Incorporate Phase 1 and 2 Results**
- **Develop Initial “To-Be” Procurement Process Model**
- **Define “To-Be” Process Inputs/Outputs**
- **Build Initial “To-Be” Systems Models to Document Process Flow**
- **Document Pertinent Business Rules**
- **Incorporate Improvement Ideas and Opportunities**



Objective of Phase 4

February 23-24, 1999

- **Review Results with Key Systems Program Offices**
 - SPS/SDW
 - DPPS/DCD
- **Refine “To-Be” Models as Necessary**
- **Refine Business Rules and Recommendations**



Objective of Phase 5

Early March, 1999

- **One-Day Conference to Present Results**
- **Scrub Models with SMEs**
 - **Phase 1 Participants**
 - **Phase 2 Participants**
 - **Anyone Else**
- **Refine “To-Be” Models as Necessary**
- **Refine Business Rules and Recommendations**



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Progress Review

- Owe Progress Review to DCMC (Maj Gen Malishenko) and DFAS (Mr Amlin)
- Review Needed by February 22, 1999
- Status Report of Where We Are
 - Need to Incorporate Phase 1 and Phase 2 Results
 - Want to Show Initial “To-Be” Process Model
- Coordinate Through Core Group
 - Coordinate via Web?



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Final Words . . .

- **“To-Be” Procurement Process Activity Underway**
- **Need Continued Support for Upcoming Phases**
 - Additional SMEs
 - Review Results (Posted to Website)
 - Coordination
- **Progress Review**





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Any Questions?

